



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

ANDY DILLON
STATE TREASURER

MINUTES OF THE MEETING OF THE STATE TAX COMMISSION

***Lansing Center, Governor's Room
333 East Michigan Avenue
Lansing, Michigan***

***Tuesday, October 30, 2012
9:00 a.m.***

***PRESENT: Douglas B. Roberts, Chair STC
Robert H. Naftaly, Member STC
Barry S. Simon, Member STC***

***Kelli Sobel, Executive Secretary
LaNiece Densteadt, Recording Secretary***

The item numbers referred to in the minutes correspond to the agenda items as numbered.

It was moved by Naftaly, supported by Simon, and unanimously approved to adopt the minutes of September 25, 2012. (Item 1 on agenda)

It was moved by Naftaly, supported by Simon, and unanimously approved to adopt the Assessor Discipline Advisory Committee's recommendation to hold in abeyance an order to request a formal revocation hearing for Mr. Karl Ockerman by the Michigan Administrative Hearings System until it is determined if Mr. Ockerman intends to recertify for the 2013 year. If it is determined that Mr. Ockerman intends to recertify, the order will be adopted by the Commission. (Item 2 on agenda)

It was moved by Naftaly, supported by Simon, and unanimously approved the Assessor Discipline Advisory Committee's recommendation and adopt the official order to send James Coppedge for a formal revocation hearing at the Michigan Administrative Hearings System due to the fact that Mr. Coppedge obtained his Personal Property Examiner Certificate under false pretenses. (Item 2 on agenda)

It was moved by Naftaly, supported by Simon, and unanimously approved to adopt staff recommendation for classification appeals 12-0009, 12-0023, 12-0041, and 12-0056 through 12-0098. (Item 3 on agenda) ([See attached link for file identification](#))

It was moved by Naftaly, supported by Simon, and unanimously approved the reconsideration of classification appeals for New Covert Generating, 11-0238 and 11-0354, and direct the assessing officer to create a new personal property parcel that contains the turbines and to classify that parcel as industrial personal. (Item 4 on agenda)

It was moved by Naftaly, supported by Simon, and unanimously approved the reconsideration of classification appeal 12-0044 and classify the real property as commercial real. (Item 4 on agenda)

It was moved by Naftaly, supported by Simon, and unanimously approved to adopt the attached State Tax Commission Instructor Approval Process. (Item 5 on agenda) ([See attached link for file identification.](#))

It was moved by Naftaly, supported by Simon, and unanimously approved to return jurisdiction of the 2009 assessment roll for Cornell Township, Delta County. (Item 6 on agenda)

It was moved by Naftaly, supported by Simon, and unanimously approved to return jurisdiction of the 2009 assessment roll for Masonville Township, Delta County. (Item 7 on agenda)

It was moved by Naftaly, supported by Roberts, and unanimously approved Bulletin 9 of 2012 Reporting of Oil and Gas Personal Property. The Commission also wished to thank the members of the Committee who worked on the bulletin. Bill Horn, Kevin Keller, and Bob Rhodes appeared before the Commission to discuss the bulletin. (Item 8 on agenda)

It was moved by Naftaly, supported by Simon, and unanimously approved Bulletin 10 of 2012 Property Tax and Equalization Calendar for 2013. (Item 9 on agenda)

It was moved by Naftaly, supported by Simon, and unanimously approved Bulletin 11 of 2012 Procedural Changes for the 2013 Assessment Year. (Item 10 on agenda)

It was moved by Naftaly, supported by Simon, and unanimously approved Bulletin 12 of 2012 Certified Interest Rates for the Period January 2012 through December 2012. (Item 11 on agenda)

It was moved by Naftaly, supported by Simon, and unanimously approved Bulletin 13 of 2012 Inflation Rate Multiplier for 2013. (Item 12 on agenda)

It was moved by Naftaly, supported by Simon, and unanimously approved Bulletin 14 of 2012 MTT Interest Rates. (Item 13 on agenda)

It was moved by Naftaly, supported by Simon, and unanimously approved to adopt the 2013 Personal Property Forms 632 – Personal Property Statement, 2698 – Idle Equipment, 2699 – Qualified Personal Property, 3589 – Cable Television and Utility, 3595 – Daily Rental, 3612 – Daily Rental, Additional Reporting, 3966 – Move-Ins Reporting, and 2807 – Qualified Personal Property, Additional Reporting. (Item 14 on agenda)

It was moved by Naftaly, supported by Simon, and unanimously approved to adopt the staff recommendation on the Exemptions Agenda. (Item 15 on agenda) ([See attached link for file identification.](#))

It was moved by Naftaly, supported by Simon, and unanimously approved to adopt the staff recommendation on the Re-certifications and New Certifications of Computerized Tax Rolls for the following: (Item 16 on agenda)

These certifications will expire on **May 1, 2015**.

New Certifications:

Monroe County

Monroe Charter Township

Montcalm County

Cato Township

Fairplain Township

Home Township

Otsego County

Bagley Township

Dover Township

Livingston Township

Recertification Denials:

Montcalm County

Crystal Township

It was moved by Naftaly, supported by Simon, and unanimously approved to adopt the MCL 211.154 **Concurrences**. (Item 17 on agenda) ([See attached link for file identification](#))

It was moved by Naftaly, supported by Simon, and unanimously approved to adopt the MCL 211.154 **Special Items Agenda** except for petitions 154-11-2258, 154-11-2259, 154-11-2260, 154-11-2261, 154-11-2262, 154-11-2263, 154-11-2264, and 154-11-2257. These petitions will appear as non-concurrences on the December 13, 2012 Meeting Agenda. (Item 18 on agenda) ([See attached link for file identification](#))

It was moved by Naftaly, supported by Simon, and unanimously approved to **postpone** the following MCL 211.154 petitions until **December 13, 2012**. (Item 19 on agenda)

City of Montague, Muskegon County

154-12-0403 DIVERSIFIED MACHINE MONTAGUE INC.; 61-21-900-351-0005-00; Personal Property

2010 AV from \$ 13,842,300 to \$ 19,617,300 TV from \$ 13,842,300 to \$ 19,617,300

2011 AV from \$ 13,863,700 to \$ 19,150,860 TV from \$ 13,863,700 to \$ 19,150,860

2012 AV from \$ 13,564,600 to \$ 18,458,735 TV from \$ 13,564,600 to \$ 18,458,735

Milford Township, Oakland County

154-12-0742 AB HELLER INC.; L-99-11-216-277; PERSONAL PROPERTY

2011 AV from \$ 1,309,730 to \$ 1,576,080 TV from \$ 1,309,730 to \$ 1,576,080

It was moved by Naftaly, supported by Simon, and unanimously approved to **postpone** the following MCL 211.154 petitions. (Item 19 on agenda)

City of Monroe, Monroe County

154-11-1966 RICHARD JANSSENS; 9L-FARMS-003; REAL PROPERTY

2009 AV from \$ 0 to \$ 138,060 TV from \$ 0 to \$ 138,060

2010 AV from \$ 0 to \$ 138,060 TV from \$ 0 to \$ 138,060

2011 AV from \$ 0 to \$ 138,060 TV from \$ 0 to \$ 138,060

It was moved by Naftaly, supported by Simon, and unanimously approved to **deny** the following MCL 211.154 petitions. (Item 19 on agenda)

Roxand Township, Eaton County

154-12-0523 DENNIS J. GRAHAM BUILDERS; 020-090-031-045-00; PERSONAL PROPERTY

2009 AV from \$ 0 to \$ 6,175 TV from \$ 0 to \$ 6,175

2010 AV from \$ 0 to \$ 6,175 TV from \$ 0 to \$ 6,175

2011 AV from \$ 0 to \$ 6,175 TV from \$ 0 to \$ 6,175

Northfield Township, Washtenaw County

154-12-0771 POWELL CONSTRUCTION & EXCAVATING; B-99-20-992-001; Personal Property

2010 AV from \$ 0 to \$ 18,000 TV from \$ 0 to \$ 18,000

2011 AV from \$ 0 to \$ 15,920 TV from \$ 0 to \$ 15,920

It was moved by Naftaly, supported by Simon, and unanimously approved to allow the **withdrawal** of the following MCL 211.154 petitions. (Item 19 on agenda)

City of Detroit, Wayne County

154-12-0774 A Z S LLC; 22992286.03; PERSONAL PROPERTY

2012 AV from \$ 0 to \$ 7,690 TV from \$ 0 to \$ 7,690

154-12-0776 NATIONAL BALTIMORE COMPANY; 04001356-60; REAL PROPERTY

2010 AV from \$ 104,783 to \$ 562,380 TV from \$ 104,468 to \$ 419,098

2011 AV from \$ 104,783 to \$ 562,380 TV from \$ 104,783 to \$ 426,222

Sumpter Township, Wayne County

154-12-0773 KEVIN JOHNSTON; 82-81-003-99-0012-705; REAL PROPERTY

2010 AV from \$ 21,800 to \$ 123,700 TV from \$ 21,800 to \$ 123,700

2011 AV from \$ 19,600 to \$ 110,600 TV from \$ 19,600 to \$ 110,600

It was moved by Naftaly, supported by Simon, and unanimously approved the following MCL 211.154 petitions as **concurrences**, initially noticed as non-concurrences. (Item 19 on agenda)

City of Tawas City, Iosco County

154-11-2288 IPCS WIRELESS; 133-900-000-455-00; PERSONAL PROPERTY

2009 AV from \$ 53,410 to \$ 0 TV from \$ 53,410 to \$ 0

2010 AV from \$ 40,100 to \$ 0 TV from \$ 40,100 to \$ 0

2011 AV from \$ 31,600 to \$ 0 TV from \$ 31,600 to \$ 0

City of Grand Rapids, Kent County

154-12-0718 SPRINT UNITED MGT. COMPANY; 41-01-51-112-596; PERSONAL PROPERTY

2012 AV from \$ 4,100 to \$ 30,800 TV from \$ 4,100 to \$ 30,800

154-12-0719 RIVER CITY FOOD COMPANY; 41-01-51-104-044; PERSONAL PROPERTY

2010 AV from \$ 79,300 to \$ 78,700 TV from \$ 79,300 to \$ 78,700

2011 AV from \$ 77,700 to \$ 79,600 TV from \$ 77,700 to \$ 79,600

2012 AV from \$ 53,400 to \$ 79,200 TV from \$ 53,400 to \$ 79,200

154-12-0826 EXTREME AUTO AUDIO INC.; 41-01-51-106-250; PERSONAL PROPERTY

2010 AV from \$ 82,700 to \$ 168,000 TV from \$ 82,700 to \$ 168,000

2011 AV from \$ 82,600 to \$ 148,100 TV from \$ 82,600 to \$ 148,100

2012 AV from \$ 132,900 to \$ 150,300 TV from \$ 132,900 to \$ 150,300

154-12-0827 EXTREME AUTO CUSTONS INC.; 41-01-51-113-099; PERSONAL PROPERTY

2011 AV from \$ 0 to \$ 34,000 TV from \$ 0 to \$ 34,000

154-12-0828 GREAT LAKES RPH CORPORATION; 41-01-51-112-640; PERSONAL PROPERTY

2011 AV from \$ 39,300 to \$ 52,300 TV from \$ 39,300 to \$ 52,300

2012 AV from \$ 40,800 to \$ 55,400 TV from \$ 40,800 to \$ 55,400

154-12-0830 MICHIGAN WIRE EDM SERVICES INC.; 41-01-51-109-948; Personal Property

2010 AV from \$ 174,900 to \$ 190,600 TV from \$ 174,900 to \$ 190,600

2011 AV from \$ 178,200 to \$ 258,700 TV from \$ 178,200 to \$ 258,700

Hartland Township, Livingston County

154-12-0720 AM CLEANING INC.; 4708-99-001-083; PERSONAL PROPERTY

2012 AV from \$ 0 to \$ 1,976 TV from \$ 0 to \$ 1,976

City of Roseville, Macomb County

154-12-0723 VSM SEWING INC. #636; 830-20600-51; PERSONAL PROPERTY

2012 AV from \$ 3,250 to \$ 6,690 TV from \$ 3,250 to \$ 6,690

City of Warren, Macomb County

154-12-0724 NOVO MOTOR ACOUSTICS SYSTEMS INC.; 99-04-523-702; Personal Property

2012 AV from \$ 900,000 to \$ 985,435 TV from \$ 900,000 to \$ 985,435

154-12-0725 12 & MOUND WIRELESS INC.; 99-06-866-615; PERSONAL PROPERTY

2012 AV from \$ 10,000 to \$ 13,599 TV from \$ 10,000 to \$ 13,599

154-12-0726 DELL EQUIPMENT FUNDING LP; 99-06-930-695; PERSONAL PROPERTY

2012 AV from \$ 1,627,078 to \$ 1,794,100 TV from \$ 1,627,078 to \$ 1,794,100

154-12-0729 STUDIO 101; 99-06-934-885; PERSONAL PROPERTY

2012 AV from \$ 0 to \$ 144,840 TV from \$ 0 to \$ 144,840

City of Auburn Hills, Oakland County

154-12-0746 CIT FINANCIAL LLC; 02-99-00-012-149; PERSONAL PROPERTY

2012 AV from \$ 32,230 to \$ 64,630 TV from \$ 32,230 to \$ 64,630

154-12-0747 CIT FINANCIAL LLC; 02-99-00-012-150; PERSONAL PROPERTY

2012 AV from \$ 54,420 to \$ 62,300 TV from \$ 54,420 to \$ 62,300

154-12-0748 CIT FINANCIAL LLC; 02-99-00-012-152; PERSONAL PROPERTY

2012 AV from \$ 6,120 to \$ 12,230 TV from \$ 6,120 to \$ 12,230

154-12-0749 ROCHESTER MILLS PROD. BREWERY LLC; 02-IP-11-100-468; Personal-IFT Property

2012 AV from \$ 0 to \$ 69,480 TV from \$ 0 to \$ 69,480

City of Auburn Hills, Oakland County

154-12-0750 TOOLES/SACHSE LLC; 02-99-00-010-143; PERSONAL PROPERTY

2011 AV from \$ 17,230 to \$ 72,740 TV from \$ 17,230 to \$ 72,740

City of Novi, Oakland County

154-12-0757 COMAU INC./WISNE AUTOMATION; 50-99-00-012-137; PERSONAL PROPERTY

2012 AV from \$ 30,000 to \$ 45,980 TV from \$ 30,000 to \$ 45,980

City of Royal Oak, Oakland County

154-12-0858 AQUENT; 72-99-00-012-111; PERSONAL PROPERTY

2012 AV from \$ 8,000 to \$ 32,950 TV from \$ 8,000 to \$ 32,950

City of Wixom, Oakland County

154-12-0766 COMCAST; 96-99-00-010-017; PERSONAL PROPERTY

2011 AV from \$ 25,000 to \$ 400,000 TV from \$ 25,000 to \$ 400,000

Orion Township, Oakland County

154-12-0857 GM-DI LEASING CORP.; 63-O-99-00-012-070; PERSONAL PROPERTY

2011 AV from \$ 0 to \$ 12,510 TV from \$ 0 to \$ 12,510

Oxford Township, Oakland County

154-12-0743 LOUISE Z. TUTTLE; P-04-22-403-002; REAL PROPERTY

2011 AV from \$ 0 to \$ 31,840 TV from \$ 0 to \$ 31,590

2012 AV from \$ 0 to \$ 28,100 TV from \$ 0 to \$ 28,100

State of Michigan State Assessed

154-12-0679 MCLEOD USA TELECOMMUNICATIONS SVS. INC.; 99-00-00-00-000-046;
UTILITY PROPERTY

2010 AV from \$ 15,748,234 to \$ 15,424,140 TV from \$ 15,748,234 to \$ 15,424,140

2011 AV from \$ 13,495,646 to \$ 13,924,360 TV from \$ 13,495,646 to \$ 13,924,360

City of Wyandotte, Wayne County

154-12-0860 BRENDA F. SAMMONS; 57-012-10-0005-303; REAL PROPERTY

2012 AV from \$ 0 to \$ 30,800 TV from \$ 0 to \$ 30,800

It was moved by Naftaly, supported by Simon, and unanimously approved to adopt all other MCL 211.154 petitions. ([See attached link for file identification.](#)) (Item 19 on agenda)

Public Comment (Item 20 on agenda): No member of the public wished to comment.

Other Items for Discussion (Item 21 on agenda): No other items were discussed.

Michigan Certified Assessing Officer Graduation (Item 22 on agenda)

Ms. Sobel spoke regarding the MCAO Program: Mr. Chairman and members we are here today to celebrate the graduation of our first class of Michigan Certified Assessing Officer students. With your indulgence I would like to make a few comments before the Commission moves to officially approve these new assessing officers and I am sure you each will also have some comments to make.

Three years and 1 day ago (Kyle that was for you!), the Executive Order that eliminated both the State Assessors Board and the State Tax Commission and formed a new body with responsibility for all aspects of assessing, was introduced by former Governor Granholm.

The State Tax Commission knew they had been given one chance to make significant changes to the existing system of certification and education, to improve the system, to address systemic problems and to make our profession more of a profession.

The Commission took two bold first steps on December 28, 2009: First to eliminate all existing educational programs and second to form Committees with representatives from all outside organizations to help reform the certification and education system. By January 29, 2010 – one very short month after the Executive Order went into effect, all of the Committees had met at least once – the Education Committee had met twice and was “talking” every day. The Education Committee has the most immediate work ahead of them, since they had to work from a blank canvas to design a new education system or as Nancy Armstrong likes to describe it: Assessor College. Several members of that Committee are here today (Lisa Hobart, Lynn Houston and Mike Woolford) I would ask them to stand and be recognized and thanked for their hard work.

On April 26, 2010, the Commission was presented with new Certification Levels and the design for the new Educational Program for the entry level – MCAO. The Commission adopted the recommendations of the Education Committee but told staff that they wanted the first class to start on October 1, 2010 – 5 short months away. While we knew that would be difficult, we also knew we could get it done. Our first step was to solicit bids to write the 20 new chapters for the training material. We only received two, so we leaned on a few good friends to write a few of the chapters and a few good friends to edit the chapters and then Nancy and I wrote 17 of the chapters.

We then called around to ask who were the very best instructors for the topics we wanted to teach. The calls went something like this: Evelyn – if you were getting an instructor for legal descriptions who would you hire – Dick Steffens – great. Dick, hey we know that January is not a busy month for equalization so we will pencil you in to teach for the new MCAO class. I would like the instructors to stand and be recognized for the many hours they have devoted to this program and to ensuring the quality of our educational programs.

Those 5 months were full of many long nights and working weekends but on schedule, on October 1, 2010 we began the MCAO October 2010 Class. It is hard to believe it is now 2 years later and these students are graduating. More than any other group, these students are responsible for shaping the class into what it is today. They suffered through Google Groups, the transition to Moodle and changes throughout the program. They attended 20 weekend sessions, took quizzes for 20 chapters, took 4 semester exams and made countless online posts to our online classroom.

Through it all the students, instructors and staff remained focused on the Commission's goal: To improve assessor education – to ensure this is a profession and not just something individuals “fall into” doing. We believe that with this class and our other new programs, we are working to accomplish that goal.

We are excited to see these students complete their training today and even more excited to see them continue to move forward toward earning higher levels of certification. On behalf of the Education Committee, the program instructors and Nancy Armstrong, it is my privilege and honor to recommend to the Commission and ask for a motion to approve the following individuals for certification as Michigan Certified Assessing Officers (would the students please stand to be recognized as I call your name):

Marwan Abdullah
Maude Chatman
Stephanie Cross
JoAnn Csapos
Angela Daniels
Arnold Dolman
Linda Fate-Dase
Neil Hammerbacher
Karen Hastings
Regina Hoover
Bryan Jager
Lynn Jensen
Carol Little
Denise Marinelli
Darcy Marusich
Mari Negro
Jane Kolbe
Brent Rifenbark
Roger Schmidt
Meriem Kadi
Kyle Ten Broeke and
Teresa Weigold-Jolin

It was moved by Naftaly, supported by Roberts, and unanimously approved to certify the assessors identified by Ms. Sobel as Michigan Certified Assessing Officers.

Chairman Roberts stated the following: I will use the opportunity as Chair and go first. I want to thank everyone that is involved. I want to thank the staff, the instructors, and everyone for putting together the program. As one who is currently employed by a University, teaching a class is not easy. It takes

an awful lot of work, I know that. So again, I congratulate everyone and I congratulate the people who just received the certificates. I spent most of my career in State Government; I believe in public service and I believe that public service is an honorable profession. I want to thank you for joining public service because we need the best people. I want to congratulate you!

Commissioner Naftaly stated the following: I also want to welcome all of you to the assessor world. I think that when we looked at the profession, back a number of years ago, the Commission. We felt there was need to raise the bar a little bit; we had pretty bad test scores as we went out and check on assessors across the state. You are the beginning of the whole process. All we do is sit and hear problems. The fairness of the system and the ability for everyone to know that they are assessed the same no matter what part of the county or the state that they live in is the real integrity of the whole operation here. So, I applaud all of you for taking the step, especially I applaud the staff. This wasn't accepted at the beginning by everyone in the administration, this wasn't a high priority, we got some knives thrown at us from time to time, but without strong assessor's it's just not what the law is supposed to be. Whenever you do your job in any profession, you have to have integrity it is the number one thing but you also have to have pride in what you do. We are proud that you took the time to go through this. I am proud of the staff that put in many hours to make sure we had a curriculum that was meaningful and that the result would be to have 22 in my estimation young people here. So I just want to thank everybody, the teachers, the people who wrote the materials, Kelli, and everybody who put this together. You are the beginning of making sure that the taxpayers of the State of Michigan are treated fair and equal. I want to thank all of you for doing this and I hope you all get jobs.

Commissioner Simon stated the following: As a former assessor, I know how it was years ago in the horse and buggy days when I started out. I want to especially thank the staff and the instructors. As an instructor for MAA along with Lisa Hobart, I know what the instructors go through. I have seen some of you in our class. I would like to congratulate all of you. The one thing I am really a stickler on is if an assessor files a 154 they need to come to us and explain the reason why they are increasing or decreasing or what the issue is. That is part of a duty of an assessor. You don't just file it and then you don't show up or if you don't concur. I want to thank all of you and wish you all good luck and hope to see you again before us some day in a positive way.

Deputy Director Roger Fraser stated the following: I know this has been a large tour for all of you to have to spend the extra hours and time to get all this classwork done. I have had an opportunity to spend time learning with the people who put this class together. I understand what a trial it can be. I also want to share in your celebration. Like the Chairman, I also have spent most of my career in public service and most of it has been spent at the local level. I have first-hand knowledge of how critical assessors are to the success of local government. You are the ones who determine the fairness of the system we rely on to provide revenues for local government services. It takes quality folks who are committed to that fairness of the valuation to get it done and right and do it without making everyone mad. I will count on you to do that and I believe you will. I also want to add my congratulations to you and for taking the time and energy to do that. It is super!

Students were issued their diplomas and certificates.

The next Commission meeting will be held December 13, 2012 at the Lansing Center in Room 201, 333 East Michigan Avenue, Lansing.

It was moved by Roberts, supported by Naftaly, and unanimously approved to adjourn the meeting of the State Tax Commission at 11:30 a.m.

DATED TYPED: **October 31, 2012**

DATE APPROVED: **December 13, 2012**

Douglas B. Roberts, Chair
State Tax Commission

Robert H. Naftaly, Member
State Tax Commission

Barry N. Simon, Member
State Tax Commission